

SCHOOL BUDGET REVIEW COMMITTEE

Summary of Action

March 8, 2010

The School Budget Review Committee met in regular session to conduct hearings on Monday, March 8, 2010, at the Department of Education, ICN Room, Second Floor, Grimes State Office Building, 400 E. 14th St., Des Moines, Iowa 50319-0146.

1. Committee Informational Items. No action is taken on informational or discussion items. Reviewed copies of the decisions at the December 14, 2009, and the February 1 and 8, 2010, hearing sessions. Unspent balance projection emails were sent. Received information on unexpended balances, unspent balances, and cash reserve levy limits. Reviewed the background of the legislation that eliminated the Educational Excellence program, discussed Iowa Code and SBRC precedent, and deliberated on what is unusual, unique, and substantial. The issue was raised by the Committee that some districts did not intend to use the Phase I for teachers' salaries. Staff advised the SBRC that this would not be allowable under 281 Iowa Administrative Code chapter 98 for any modified allowable growth granted by the SBRC. Approval of modified allowable growth for the loss of Phase I, falls under categorical budgetary allocations, must be reserved by the district if not expended in the fiscal year, and must be expended for Phase I teacher salaries within twenty four (24) months of the discontinuation of the Phase I program.

2. On Time Funding for Increased Enrollment Applications. Approved on-time funding modified allowable growth for the 2009-2010 school year for increased enrollment for all eligible districts making requests.

3. Open Enrollment Out Applications. Approved modified allowable growth for the 2009-2010 school year for tuition costs incurred for open enrollment out students not included on the October 2008 certified enrollment reports for eligible districts making requests.

4. Limited English Proficiency Applications. Approved modified allowable growth for the 2009-2010 school year for excess costs of providing services to LEP students for eligible districts making requests.

5. Late Application for Open Enrollment Out Not on Previous Headcount. Approved modified allowable growth for the 2009-2010 school year in the total amount of \$77,774 for Algona for tuition costs incurred for open enrollment students not included on the previous year's certified enrollment report that were not previously requested.

6. Certificate of Need Award Recommendation. Accepted the recommendation of the task force regarding the certificate of need request from the Fredericksburg Community School District and made a recommendation to the Department to approve the request.

7. Federal Iowa Demonstration Grant Award Recommendations. Approved the Iowa Demonstration Construction Grant Program awards for all districts as recommended to the

SBRC by the task force, pending receipt of evidence from the districts that any local match requirements and other requirements have been met. For any carry-over of previous grants, the Department will allocate grant funds to previous construction and fire safety projects that were not fully funded. In the event that any award is declined or other unexpended funds become available before June 15, 2010, the SBRC directed the Department to award a grant to the next highest ranked district or districts to the extent that the funding is made available.

8. Returning Dropout/Dropout Prevention Programs. Approved modified allowable growth for the 2010-2011 school year for the districts whose applications for Returning Dropout and Dropout Prevention programs have been approved by the Department.

9. Special Education Administrative Costs. Approved the use of special education funds for administrative costs of special education programs for the districts approved by the Department of Education.

10. Glenwood Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$741,607 for an accounting adjustment verified by Department staff.

11. Fremont Community School District. Accepted the revised plan provided by the district. Directed the district to file all future CAR-COA reports in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause.

12. Marcus-Meriden-Cleghorn Community School District. Accepted the revised plan provided by the district. Directed the district to file all future CAR-COA reports in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause.

13. Harmony Community School District. Accepted the district's proposed plan to deduct the auditor's adjustment to budget enrollment over the next three budget years.

14. Waterloo Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$171,521 for costs associated with asbestos abatement.

15. Algona Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$5,064 for costs associated with removal of hazardous materials and denied modified allowable growth in the amount of \$20,394 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$19,281.

16. Clay Central Every Community School District. Denied modified allowable growth for the 2009-2010 school year in the amount of \$548,660 as part of the corrective action plan and received but did not accept the district's corrective action plan. Directed the district to re-submit a plan to the SBRC at its May hearings with total reduction in expenditures equal

to the amount by which it was negative, that will ensure the district will have a positive unspent balance by the end of fiscal year 2010-2011 and will remain positive for future years. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

17. Nishna Valley Community School District. Approved modified allowable growth for the 2009-2010 school year in the amounts of \$2,821 for IRS penalties due to a previous administration, and in the amount of \$131,862 for a transfer to an enterprise fund that has been discontinued but had a deficit fund balance, and in the amount of \$29,674 for a reduction in miscellaneous income due to the elimination of educational excellence phase I. Denied modified allowable growth for the 2009-2010 school year in the amounts of \$15,468 for IPERS past due payments and \$39,323 for ISEBA health insurance premiums past due payments. Received and accepted the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

18. Southern Cal Community School District. Received and accepted the district's corrective action plan, but directed the district to make sufficient cuts in expenditures so it will end the fiscal year with a positive unspent balance no later than the 2010-2011 school year. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

19. West Sioux Community School District. Approved the request for modified allowable growth for the 2009-2010 school year in the amount of \$342,224 for its second and final time as part of its corrective action plan and received and accepted the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

20. Corwith-Wesley Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$53,576 for a reduction in miscellaneous income due to the elimination of educational excellence phase I. Approved modified allowable growth for the 2009-2010 school year in the amount of \$184,747 for the second and final year and received and accepted the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

21. Ogden Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$27,271 for a reduction in miscellaneous income due

to the elimination of educational excellence phase I. Approved modified allowable growth for the 2009-2010 school year in the amount of \$460,629 and to receive and accept the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

22. Pomeroy-Palmer Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$23,954 for a reduction in miscellaneous income due to the elimination of educational excellence phase I. Approved modified allowable growth for the 2009-2010 school year in the amount of \$12,762 and received and accepted the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

23. Prairie Valley Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$64,016 for a reduction in miscellaneous income due to the elimination of educational excellence phase I. Tabled the request for modified allowable growth for the 2009-2010 school year in the amount of \$181,056 and received but did not accept the district's corrective action plan. Directed the district to re-submit a plan to the SBRC at its May hearings with total reduction in expenditures equal to the amount by which it was negative and that will ensure the district will have a positive unspent balance for future years. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

24. Woden-Crystal Lake Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$43,689 for a reduction in miscellaneous income due to the elimination of educational excellence phase I. Received and accepted the district's corrective action plan and tabled the request for modified allowable growth for the 2009-2010 school year in the amount of \$219,754 as part of its corrective action plan until the district has a viable whole grade sharing agreement with one or more districts that total 300 or more students or can show board action on a reorganization or dissolution plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

25. Exira Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$294,039 for its second and final year and received and accepted the district's corrective action plan. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

26. Jefferson-Scranton Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$260,437 and received and accepted the district's corrective action. Directed the district to submit monthly reports to its board demonstrating the financial position of the district in relationship to its certified budget control lines and to maximum spending authority. These reports shall be available to the SBRC and to the auditor on request.

27. Lineville-Clio Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$108,930 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

28. Rockwell City-Lytton Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$89,458 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

29. Pekin Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$57,289 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

30. Ventura Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$60,386 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

31. Eldora-New Providence Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$63,212 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

32. Riverside Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$67,512 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

33. Sergeant Bluff Luton Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$30,734 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

34. C and M Community School District. Approved modified allowable growth for the 2009-2010 school year in the amount of \$40,756 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

35. Saydel Community School District. Denied modified allowable growth for the 2009-2010 school year in the amount of \$38,985 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

- 36. Albia Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$37,580 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 37. Dows Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$20,830 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 38. Belle Plaine Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$28,693 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 39. H-L-V Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$30,872 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 40. AGWSR Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$49,226 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 41. MFL MarMac Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$51,331 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 42. Lamoni Community School District.** Denied modified allowable growth for the 2009-2010 school year in the amount of \$32,565 for a reduction in miscellaneous income due to elimination of educational excellence phase I.
- 43. Tri-County Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$53,977 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$51,378.
- 44. Centerville Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$56,275 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$55,923.
- 45. Wayne Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$43,965 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$41,360.
- 46. Moulton-Udel Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$35,183 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

47. LuVerne Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$11,310 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

48. IKM Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$60,850 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

49. Albert City-Truesdale Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$24,028 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

50. Sioux Central Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$41,856 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

51. Hubbard-Radcliffe Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$19,892 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

52. Winterset Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$53,077 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

53. Clarion-Goldfield Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$34,432 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

54. Anita Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$45,448 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$41,529.

55. Clearfield Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$37,301 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

56. Midland Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$54,182 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$44,220.

57. Essex Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$38,014 for a reduction in miscellaneous income due to elimination of educational excellence phase I.

- 58. Mormon Trail Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$65,369 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 59. Whiting Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$45,092 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 60. Nodaway Valley Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$66,457 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 61. Washington Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$31,737 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 62. Red Oak Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$61,926 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 63. Paton Churdan Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$35,499 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 64. Northeast Hamilton Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$44,398 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 65. Fremont Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$40,568 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 66. Diagonal Community School District.** Did not approve modified allowable growth for the 2009-2010 and 2010-2011 school years in the amount of \$94,352 each for a reduction in miscellaneous income due to the elimination of educational excellence phase I.
- 67. Titonka Consolidated School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$44,405 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$40,277.
- 68. Eddyville-Blakesburg Community School District.** Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$89,993 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

69. Sentral Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$28,974 for a reduction in miscellaneous income due to the elimination of educational excellence phase I.

70. Central Community School District. Did not approve modified allowable growth for the 2009-2010 school year in the amount of \$18,220 for a reduction in miscellaneous income due to the elimination of educational excellence phase I of \$17,811.